

# ADVISORY COMMITTEE ON PUBLIC SAFETY AND SOUR GAS EVALUATION OF EUB'S IMPLEMENTATION PROGRESS TO APRIL 2003

## 1 INTRODUCTION

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The Alberta Energy and Utilities Board (EUB) formed the Advisory Committee on Public Safety and Sour Gas (the Advisory Committee) in January 2000 to review and make recommendations respecting the sour gas regulatory system as it relates to public health and safety. The Advisory Committee included representation from a broad spectrum of stakeholder groups.

In December 2000, the Advisory Committee issued a *Findings and Recommendations Final Report* that described the Advisory Committee and its mandate, briefly outlined the process the Advisory Committee used to conduct its work, and provided a set of 87 final recommendations to the EUB.

## 2 IMPLEMENTATION

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In its *Findings and Recommendations Final Report* the Advisory Committee made the following requests of the EUB regarding the implementation of its recommendations:

- The EUB serve as the reporting agency for all recommendations in the report, including those that, in whole or part, require action by others.
- The EUB issue public quarterly status reports respecting the planned actions and current progress on each recommendation. This reporting should be continued until implementation or action has been taken on all the recommendations. The first such report should include an overall implementation plan, including time-lines.
- The EUB establish a method of measurement for actions taken to implement each recommendation to assess if the actions are accomplishing the expectations of each recommendation. This assessment should be included in the quarterly status reports.

The Advisory Committee also indicated that it intended to meet annually until all the recommendations are implemented or acted on, to evaluate the actions taken by the EUB towards implementation, and to provide an evaluation report to the EUB and all stakeholders.

Upon receiving the recommendations of the Advisory Committee, the EUB accepted all of them and established the Public Safety Implementation Team (PSIT) to develop a plan of action and co-ordinate the on-going implementation of the recommendations. The EUB grouped the recommendations into the following five categories:

- Health Effects and Sour Gas Research
- Sour Gas Development Planning and Approval
- Sour Gas Operations
- Emergency Preparedness
- Information, Communication and Consultation.

In April 2001, the PSIT published the *Public Safety and Sour Gas Implementation Plan* proposing to start work on 50 of the 87 recommendations in the first year of a multiyear program. The PSIT has since issued quarterly reports as well as two *Annual Progress Reports*: the first in April 2002 and the second in April 2003.

### **3 EVALUATION OF EUB'S IMPLEMENTATION PROGRESS**

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Following publication of the first *Annual Progress Report* in April 2002, the Advisory Committee convened to discuss and evaluate implementation progress on the 87 recommendations. Their observations and subsequent comments to the EUB are contained in a report titled *Advisory Committee on Public Safety and Sour Gas Evaluation of EUB's Implementation Progress*. This report was issued in July 2002 and is available on the EUB's website at [www.eub.gov.ab.ca](http://www.eub.gov.ab.ca).

Members of the Advisory Committee have since continued individually to follow the implementation progress. As representatives of stakeholder groups, many Advisory Committee members have been involved in the implementation work through feedback, consultation and direct project involvement.

After publication of the EUB's second *Annual Progress Report*, the Advisory Committee again met as a group to discuss and evaluate the implementation progress. Their observations and comments to the EUB are contained in this report. The report structure provides first an overall reaction followed by more detailed comments or concerns regarding the implementation of specific recommendations or groups of recommendations.

#### **3.1 Overall Evaluation**

The Advisory Committee's 87 recommendations place a huge workload and daunting task before the EUB and the Advisory Committee recognizes the challenges this presents. That the EUB continues to meet these challenges was evident by the very complimentary

discussion on the overall implementation progress during the Advisory Committee's discussions. It was noted that the commendable progress made to date has only been possible through the considerable support and provision of resources by the EUB, the energy and enthusiasm of the Public Safety and Sour Gas implementation team and the other EUB staff, and the commitment and effort of the stakeholders. The Advisory Committee observes that at the end of the second year of implementation, many improvements in the sour gas arena have already been realized. Of the examples discussed, noteworthy are the improvements in the number of new resources available to the public on the hearing process; the positive steps taken in Aboriginal areas – made possible through the resources dedicated by the EUB in building Aboriginal relationships and through continuing stakeholder commitment; and the variety of communication tools developed for helping Albertans understand sour gas and the role of the EUB.

Notwithstanding the overall good progress, there are some general and some specific concerns. General concerns are addressed in the following paragraphs. Specific concerns are addressed in section 3.2 of this report.

The Advisory Committee observes that as implementation work proceeds, there are increasing inter-dependencies between the remaining implementation tasks. Therefore, in order to advance work, any root delays must be identified and expedited. An example of this is the health effects studies, specifically recommendations 9 and 59, where work on several recommendations is predicated on their outcome.

The Advisory Committee also notes an increasing trend for broadening the scope of the original recommendations (addressing non-sour gas issues as well as sour gas ones). The Advisory Committee is concerned that this may delay implementation of some sour gas recommendations. This potential for delay is of particular concern where the outcome of one recommendation is required as 'feed stock' for another. Further, in those cases where in the EUB's judgement it makes sense to 'piggy back' non-sour work on the Advisory Committee's recommendations, the Advisory Committee encourages the EUB to consult with affected stakeholders before expanding the scope of the work beyond sour gas.

In the Advisory Committee's report of last year, the matter of performance measurement was raised. While the Advisory Committee is pleased to see some improvement in this area, it believes more can be done. The Advisory Committee is of the view that the most beneficial and feasible performance measures are those conceived when implementation plans are being created and executed. As implementation work proceeds, greater effort should be placed on performance measures.

The Advisory Committee also discussed the matter of completion or 'target' dates. The Advisory Committee impresses upon the EUB the need for setting target dates for completion of implementation tasks underway. The Advisory Committee believes that end-dates help prevent implementation work from getting stalled, and contribute to overall accountability. This is of particular concern for the group of recommendations in Health Effects and Sour Gas Research, and for recommendation 5.

## 3.2 Specific Comments and Concerns

This report is intended for both an overall evaluation of the implementation work to date, and for constructive critique of any areas the Advisory Committee believes would benefit from such comment. The report's overall impression could appear negative due to the level of detail provided in the following critical scrutiny. This is not the intention of the Advisory Committee, which is very pleased with the overall implementation progress. The critical scrutiny is provided with the sole objective of assisting in the ongoing implementation progress.

For convenience, the relevant recommendations are also included. It should be noted that the complete text of some recommendations is not shown. The complete text may be found in the *Public Safety and Sour Gas Findings and Recommendations Final Report December 2000*. (This report is available at the EUB's Calgary Office and Field Centers, and on its website at [www.eub.gov.ab.ca](http://www.eub.gov.ab.ca)).

### 3.2.1 Health Effects and Sour Gas Research

#### Recommendations 9 and 59

- 9 *The EUB work with Alberta Health and Wellness, regional health authorities, Alberta Environment, Alberta Human Resources, industry, and other stakeholders to ensure that comprehensive health effects information (qualitative and quantitative) is developed, as soon as practical due to its urgency.*
- 59 *The EUB work with Alberta Health and Wellness, regional health authorities, and other stakeholders to develop clear requirements and evacuation criteria to address the hazard of SO<sub>2</sub> as a result of ignition.*

#### Comments and Concerns:

The Advisory Committee is pleased that progress is being made in the health effects area. It recognizes that costly and complex work continues on these recommendations but reminds AH&W that it is critical to keep the momentum going. The delay in publication of the health effects tables has seriously hindered work on certain other recommendations. The Advisory Committee believes work should begin to prepare a strategy for communicating the results of the health effects study to the public and receiving its reaction (to build trust in the community among other things). Further, the Advisory Committee believes that AH&W, the EUB and AENV should work together in explaining the safety concerns versus the health concerns, as related to sour gas.

#### Recommendations 10 and 11

- 10 *The EUB, Alberta Health and Wellness, Alberta Environment, Alberta Agriculture Food and Rural Development, Alberta Research Council, regional health authorities, industry, and other interested parties including Alberta universities,*

*jointly establish an independent Scientific Review and Advisory Committee to provide recommendations on required research programs related to sour gas and health.*

- 11 *The EUB work with the Alberta Government to ensure financial support is available to address gaps in research respecting the health effects of sour gas. Such research should complement the multi-government Western Canada Study on Animal and Human Health Effects Associated with Exposure to Flare Emissions.*

**Comments and Concerns:**

The Advisory Committee is pleased that a chair for research on air quality and human health is being considered and notes that while the progress is good after a slow start, the time period needed to create such a chair would likely be lengthy. The Advisory Committee re-emphasizes the intent of the original recommendations: to ensure that the research agenda - created to study gaps in present research respecting the human health effects of sour gas - will address relevant issues, and that the research will have the necessary financial support. Additionally, the Advisory Committee has some concern over what role the stakeholders will play in the implementation work for these recommendations.

**Recommendations 12 and 13**

- 12 *Alberta Health and Wellness work with regional health authorities and physicians, through the Alberta Medical Association, to ensure a consistent, appropriate, and coordinated response to individuals exposed to major H<sub>2</sub>S releases.*
- 13 *The EUB work with Alberta Health and Wellness and Alberta Human Resources to establish a high-level exposure registry to track individuals who have been knocked down or had other substantial exposures to sour gas.*

**Comments and Concerns:**

The Advisory Committee believes that development of a high-level exposure (knock-down) registry is peripheral to the consistent medical response to H<sub>2</sub>S exposure, and would like to see the focus of AH&W re-directed.

**3.2.2 Sour Gas Development Planning and Approval**

**Recommendation 5**

- 5 *The immediate formation of a task force of senior decision makers that would investigate the possibility of improving coordination between subsurface and surface planning and development.*

### **Comments and Concerns:**

The Advisory Committee recognizes that this is a complex recommendation to implement and is pleased to see some progress after a slow start. The Advisory Committee stresses the urgency of this important recommendation and would like to see effort continue with a high priority. This recommendation's outcome has potential to impact many other issues.

The Advisory Committee recognizes that exclusion of certain stakeholders in the senior government steering committee and subsequent working level committee was initially necessary to resolve certain inter-jurisdictional matters. The Advisory Committee believes the time has now come for broad stakeholder involvement (at a senior level), and has concerns about current plans to select pilots prior to such involvement.

The Advisory Committee understands that the Integrated Resource Management Process is in the early stages of a Resources Management Plan for parts of southern Alberta. In the Advisory Committee's view, work on recommendation 5 and other planning related recommendations, should be coordinated with the provincial Integrated Resource Planning Process.

### **Recommendations 7, 32 and 33**

- 7 *Revisions to EUB guides to require operators to include in their applications for critical sour wells, pipelines, and facilities a review and discussion of options to utilize existing sour gas infrastructure in the area in order to minimize the extent to which the public is impacted by additional sour gas development.*
- 32 *The EUB support area planning among operators and require well applications to include at least general information regarding existing and possible future area plans where sour gas is involved near people.*
- 33 *For sour gas near people, the EUB require project plans as part of well applications where a well is part of a larger project of the applicant and encourage applications for more than one well and facility at one time where feasible.*

### **Comments and Concerns:**

The Advisory Committee observes that potential expansion of the scope for these recommendations, to possibly include non-sour gas area planning, appears to have impeded progress of the sour gas work. The Advisory Committee feels that re-focusing on sour gas matters would best serve implementation completion, and that non-sour gas project expansion could follow - depending upon the outcome of the sour gas work. This approach may merit consideration in other areas where project expansion has delayed implementation of sour gas recommendations.

The Advisory Committee supports the implementation team in seeking high level EUB approval for the appropriate blend of regulation and best practices, and reminds the team that where best practices are relied upon, there needs to be an action plan in the event that the best practices approach is not being effective.

### **3.2.3 Sour Gas Operations**

#### **Recommendations 52 and 53**

- 52 *Once the framework and methodology for dispersion modelling and probabilistic risk assessment methodology have been developed (recommendation 17), the EUB use them as the basis for a review of the current criteria for sour gas setbacks.*
- 53 *The EUB should initiate a review of the implications of setbacks on the ability to develop property.*

#### **Comments and Concerns:**

The Advisory Committee points out that implementation work for recommendation 53 needs to be done regardless of the outcome of recommendation 52. The Advisory Committee believes that as a minimum, planning for recommendation 53 should be proceeding and that appropriate stakeholders be involved in the planning.

In the deliverables for these recommendations, the Advisory Committee would like to see a commitment to making the evaluations and assessments, discussed in the action plan for the recommendations, available to the public regardless of the outcomes.

### **3.2.4 Information, Communication and Consultation**

#### **Recommendations 70 and 74**

- 70 *The team referred to in recommendation 69 work with CAPP, training institutions and other industry associations to develop public consultation training programs that reflect EUB requirements and expectations for public consultation and that incorporate training in the practices set out in the CAPP Guide for Effective Public Involvement.*
- 74 *The EUB initiate, in conjunction with industry and training institutions, the development of effective communications training programs for those individuals responsible for communicating with the public respecting technical aspects of sour gas.*

## **Comments and Concerns:**

In a presentation by the EUB, the Advisory Committee learned that establishment of a Participant Involvement (PI) roster is being considered. The roster would provide names of independent third party public consultation experts (who would have requested to be on the roster) that meet the EUB's required training standards (under consideration) for conducting PI programs. While the Advisory Committee recognizes that development of PI training programs lies outside the EUB's skill set, the Advisory Committee believes that roster qualification implies an accreditation that may be outside the resources and mandate of the EUB and is certainly beyond the intent of these recommendations. The Advisory Committee urges caution in proceeding with this implementation direction and agrees (with the implementation team) that the Board would need to carefully examine the creation of such a roster. The Advisory Committee believes that the EUB should re-focus implementation direction toward working with others to develop public consultation training programs.

## **Recommendation 79**

79 *The EUB initiate a study involving industry, government, the public, and municipal representatives to determine the nature of local benefits, such as reduced property taxes and local business opportunities, to communities impacted by sour gas development.*

Note that the following change was made to the wording of recommendation 79 with the approval of the Advisory Committee:

*The steering committee for Recommendation 79 will complete a study involving industry, government, the public, and municipal representatives to determine the nature of net financial benefits to communities impacted by sour gas development.*

## **Comments and Concerns:**

In EUB presentation, the Advisory Committee was advised that the negative impacts of sour gas setbacks (recommendation 53) were not used in the data collection and analysis for the upcoming report on recommendation 79. The Advisory Committee understands that the impacts of land development restrictions due to sour gas setbacks are very site specific in nature and are therefore difficult to quantify for this type of study. However, the Advisory Committee believes that exclusion of these impacts may render the report findings somewhat incomplete. Because the scope of the study appears to have changed the intent of recommendation 79, the Advisory Committee will withhold further comment until it reviews the published report.

### **3.3 Nonmandated But Important Issues and Other Projects Related to PS&SG**

#### **Intervener Funding**

The Advisory Committee recommended, with respect to intervener funding, that “Efforts should be made to resolve disputes about eligibility for costs and indeed the type of studies that will be funded prior to hearings wherever possible.” A presentation by the EUB staff suggests that this is now being done.

The Advisory Committee is pleased to hear that over the past three years of application for advance determination of intervener status, only one request was deferred until the Board had the opportunity to consider the evidence presented at the hearing. However, the Advisory Committee notes that because of the wording respecting this matter in guides 29 and 31a, the reader may be left with the impression that such deferral occurs more frequently. This should be clarified.

The Advisory Committee notes that there are no funding provisions for continuing public involvement after a hearing, and reminds the EUB that sometimes this continued involvement is a condition of a hearing decision.

## **4 CONTENT, FREQUENCY AND UTILITY OF REPORTING BY THE EUB**

The Advisory Committee found the *Annual Progress Report* to be comprehensive, well laid out and informative. Morning presentations by EUB staff to the Advisory Committee provided additional details on implementation work. In many instances, work presented had taken place prior to publication of the EUB’s *Annual Progress Report*. The Advisory Committee feels these ‘good news stories’ would have been well placed in the report.

The Advisory Committee would find the return of the pictorial representation (table) of the implementation schedule in the report most helpful, as well as noting the schedule dates in the report text.

The Advisory Committee believes the EUB should consider discontinuing the practice of quarterly reporting. Instead, the Advisory Committee would like to see bi-annual reporting with a mid-year report containing more detail than the current quarterlies do. The mid-year report should focus on implementation updates with timelines. The Advisory Committee feels that a mid-year report need not contain some of the annual report ‘support’ items such as photographs, the Chairman’s message, section summaries, and details on: ‘Recommendations Complete’, ‘Year-Three Project Starts’ and ‘Nonmandated But Important Issues and Other Projects Related to PS&SG’.

## **5 FUTURE EVALUATION REPORTS FROM THE ADVISORY COMMITTEE**

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The Advisory Committee sees continuing benefit to evaluation of the implementation progress, and publishing the results. It also observes that a crucial time in the implementation scheme has been reached with a large amount of implementation work underway. The high priority issues being worked on and the increasing inter-relationships between the recommendations magnify this. Therefore the Advisory Committee agreed to meet again later this year, to evaluate the implementation progress and publish the results, following publication of either the EUB's second quarterly progress report or the newly recommended semi-annual report. This mid-year meeting will be in addition to the Advisory Committee's annual meeting.

June 30, 2003